CHA Special REPORT

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Nursing 2000 — California Health Care Providers Face Critical Issues

Nursing issues continue to gain attention in California's legislative and regulatory arenas. Many states face a shortage of registered nurses (RNs), but the problem is most severe in California, which ranks last among the 50 states in the proportion of RNs per 100,000 people. The shortage is reflected in a widespread need for RNs, as well as a demand for nurses in complex specialities such as emergency, operating room and intensive care.

In addition, experts predict the nursing shortage will escalate as today's RNs are lured away by more attractive career opportunities or retire at an increasing rate, while the aging population in need of care continues to grow.

California's nursing shortage, coupled with state legislation passed in 1999 that requires specific ratios of nurses to patients in hospitals, is on the brink of posing a serious threat to patient care as health care providers strive to recruit and retain a high-quality, professional workforce. The California Healthcare Association (CHA) — along with the Hospital Council of Northern and Central California, Healthcare Association of Southern California, and Healthcare Association of San Diego and Imperial Counties — is working with federal, state and local governments, private entities and other health care organizations to find practical solutions to the significant problems resulting from California's nursing crisis.

Implementation of Nurse-Staffing Ratios

For several years, the California Nurses Association attempted to pass legislation that would require hospitals to implement numerical nurse-to-patient staffing ratios. In 1999, at the 11th hour, Gov. Gray Davis signed AB 394 (Chapter 945) with the caveat that "the minimums should be just that, in order for hospitals to retain reasonable flexibility."

The nurse-ratios bill, as it is now known, requires the Department of Health Services (DHS) to adopt regulations establishing minimum nurse-to-patient ratios by licensed nurse classification and by hospital unit for all licensed hospitals.

Last winter, DHS announced that the process for addressing AB 394 requirements would include accepting written recommendations from interested parties. CHA and the Association of California Nurse Leaders (ACNL) created a statewide task force comprised of health care leaders and experts in patient-acuity classification systems to develop recommendations.

As work progressed on the recommendations, it was apparent that standardized definitions of unit categories were necessary to implement the ratios in a comparable manner. An explanation of the task force's concerns relating to nurse ratios, definitions and a staff ratio matrix were developed. To ensure input from all interested parties, the material was sent to CHA member hospital administrators and chief nursing officers in June and again in July for comment. It also was presented at Regional Association meetings and to the ACNL Board of Directors, as well as other individuals. The recommendations were submitted Aug. 2 to DHS.

DHS is meeting individually with each organization that submitted material to review the recommendations and ensure the rationale supporting the proposals is understood by the department. DHS also is in the process of contracting with a neu-

tral party to provide research regarding nurse staffing and, in particular, nurse-staffing ratios. The department plans to develop proposed regulations based on information obtained from the research and recommendations. The proposed regulations then will be presented for public comment in January 2001 with implementation early in 2002. (SB 1760 was signed by the governor this year changing the implementation date of AB 394 from January 2001 to January 2002.) CHA will comment and ask hospitals to respond once the proposed regulations are made public.

In the meantime, CHA also is in the preliminary stages of developing a statewide strategic plan with other professional associations to address the nurse shortage.

The Nurse Shortage

Until recently, nurse shortages in California have been cyclical. The current shortage was predicted as early as 1995 and appears to be the product of several converging forces, including increasing career opportunities for women. Hospitals also face stiff competition from other health care-related employers, such as home care, managed care companies, nursing homes, schools of nursing and community clinics. In addition, more than 30 percent of RNs are over the age of 50, and many are retiring or looking for less stressful work.

This year, several attempts were made to improve funding to increase the number of nurses in California. However, those attempts were not successful and California is falling further and further behind in recruitment and retention of nurses.

In 1992, the California Strategic Planning Committee for Nursing (CSPCN), representing more than 35 state agencies, nursing and health care organizations (including CHA), was formed to develop reliable data for public policy and resource allocation decisions to meet California's need for nurses. The committee's objectives were to: 1) develop and maintain a dynamic forecasting model to predict the nursing workforce that Californians will need for their health care; 2) develop a strategic plan to ensure the supply of nurses meets the demand; and 3) implement the plan.

Phase I, completed in 1996, focused on developing and testing the California Strategic Planning Model. Processes and outcomes were summarized and an executive summary was prepared. Phase II focused on developing strategic initiatives supported by the Phase I data.

Significant findings from the CSPCN data include:

- In 1997, the mean RN vacancy rate among acute-care employers was 10.6 percent.
- The RN vacancy rate among all employee sectors increased 3 percent between 1997 and 1999.
- The California Employment Development Department (EDD) projects an absolute growth of 39,470 RN jobs between 1996 and 2006.
- The proportion of RNs working full time in California is higher than the national average of 71.4 percent.
- California currently ranks 50th in the number of RNs per 100,000 population when compared to the other states. (The absolute growth cited by EDD would not improve the ranking at the 50th percentile.)
- California's associate degree and baccalaureate RN prelicensure programs were fully enrolled in 1997-98.
- Beyond the demand for RNs in general, there is a specific demand for RNs prepared at the baccalaureate and higher degree levels.
- Approximately 50 percent of working nurses in California are educated outside of the state.
- The average age of an RN working in California hospitals is 47.
- California's ethnic/racial diversity is not reflected in the current RN workforce.

Phase II resulted in three recommendations: 1) restructure California's basic nursing work force; 2) ensure an adequate supply of nurses; and 3) enhance the cultural diversity of the RN workforce. These recommendations were fully developed in the booklet *Planning for California's Nursing Work Force*, Phase II Final Report.

Since the inception of CSPCN, little attention has been paid to the predicted nurse shortage until this year. And, although much of the media has picked up on the problems facing California hospitals, it is still unclear whether the enormity of the issue is fully recognized. The reasons for the shortage and the resources necessary to address the problem are much more complex and will not respond to a change in the economy. In addition, the nurse shortage in California may be exacerbated by the nurse-staffing-ratio regulations required by AB 394.

Several bills were introduced during the 1999-2000 legislative session to address the shortage. AB 655 (Chapter 954) required California's higher education community, along with health care providers, to develop a plan and budget to increase the number of nursing graduates. The deadline to submit the report to the Legislature was April 1, 2000. However, due to concerns from higher education, the report was not submitted until June 2, which missed the legislative deadline for funding this year. Members of the nursing community were so concerned about the content and timeliness that they submitted a minority report May 17.

Attempts were made by several health care organizations to increase funding for nursing positions through the state budget process. The Senate included a $25 million appropriation for expansion of various educational programs in the community college system. And the Assembly included a $40 million appropriation for the expansion of various educational programs. Those attempts failed partly because many key decision-makers still are not convinced there is a serious nurse shortage.

On the national scene, the five-year H-1A visa program instituted by the Immigration Nursing Relief Act of 1989 to bring in foreign RNs expired in 1995. Many of these nurses were working in hospitals, nursing homes, home health agencies and other facilities when the program expired, leaving the imported nurses jobless and creating a greater need for RNs. A proposal initiated by Rep. Richard Burr (R-N.C.) would have extended the program for six months while Congress examined options for long-term policies on foreign nurses. The proposal was defeated, according to some because of the current hard line on immigration policy. Another proposal by Sen. Lauch Faircloth (R-N.C.) would have expanded the H-1B visa program to fully include RNs, but it failed to make it to the floor.

Many collaborative programs between hospitals and educational institutions have been implemented throughout California in a desperate attempt to solve the problem at the local level. While these programs appear to encompass the elements necessary for success, they are frequently under-funded and cannot be sustained over a long period.

Quality Outcomes in Nursing

Patient outcomes are on the forefront of modern medicine. Health maintenance organizations, hospitals and a variety of other health care services are being scrutinized by the public using comparative data that provides patient outcomes in a variety of diagnoses at the state and national levels. Nursing outcomes, though intrinsic to the well being of the hospitalized patient, have not been studied until recently. The California Nursing Outcomes Coalition (CalNOC) is an unprecedented collaborative effort to establish a statewide nursing quality outcomes database through visionary planning, outcome indicator consensus building, systematic clinical data collection, data analysis and education. CHA participates on the CalNOC Executive Committee, providing expert advice on strategic planning, data evaluation and other related issues.

In 1994, the Organization of Nurse Executives — California (ONE-C, now ACNL) explored the development of a common, nurse-sensitive, outcome database that could be implemented across the state by major health care systems. Initially, ONE-C developed four indicators: 1) skin integrity; 2) patient falls; 3) nursing hours per patient day; and 4) skill mix. Concurrently, the American Nurses Association (ANA) launched a multi-phase initiative to investigate the impact of health care restructuring on the safety and quality of patient care and the nurses who provide that care. The project was named the Safety and Quality Initiative and focused on investigating research methods and data sources to empirically evaluate the safety and quality of patient care.

In 1995, ONE-C was approached by the American Nurses Association/California (ANA/C) about joining forces to respond to a request for proposals by ANA on a national Nursing Report Card, one piece of the Safety and Quality Initiative. ONE-C and ANA/C agreed to work together and the project was subsequently named CalNOC.

During its first 18 months, or Phase I, CalNOC:

- Created an organizational infrastructure;
- Developed consensus on initial nursing quality indicators, definitions, feasibility of data access and data capture methods;
- Recruited sites for alpha testing;
- Evaluated strategies to improve data collection;
- Secured sponsor funding grants; and

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Number of RNs, Number of Employed RNs and Population by California County, RNs per 100,000 Population and Employed RNs per 100,000 Population Living in 10 California Regions.

			RNs[c]		Employed RNs[e]	
Region[a]	Counties	Population[b]	Number	RNs/ 100,000[d]	Number	Employed RNs/ 100,000[d]
North Counties	Butte	201,900	1,839		1,563	
	Colusa	18,550	65		55	
	Del Norte	28,100	182		158	
	Glenn	26,950	90		77	
	Humboldt	128,100	1,218		1,053	
	Lake	55,300	374		318	
	Lassen	34,050	164		139	
	Mendocino	87,100	722		614	
	Modoc	9,925	55		47	
	Plumas	20,450	160		136	
	Shasta	165,400	1,669		1,419	
	Siskiyou	44,350	326		277	
	Tehama	55,700	256		218	
	Trinity	13,200	84		71	
Subtotal		**889,075**	**7,204**	**810**	**6,145**	**689**
North Valley/Sierra	El Dorado	150,800	1,558		1,324	
	Nevada	89,600	914		777	
	Placer	225,900	2,385		2,027	
	Sacramento	1,177,800	8,833		7,508	
	Sierra	3,220	23		20	
	Sutter	76,700	439		373	
	Yolo	158,800	989		841	
	Yuba	60,400	267		227	
Subtotal		**1,943,220**	**15,408**	**793**	**13,097**	**674**
Bay Area	Alameda	1,433,300	10,232		8,697	
	Contra Costa	916,400	8,483		7,211	
	Marin	247,900	3,423		2,910	
	Napa	124,600	1,611		1,369	
	San Francisco	790,500	6,073		5,162	
	San Mateo	722,800	6,623		5,630	
	Santa Clara	1,715,400	11,580		9,843	
	Santa Cruz	252,800	2,294		1,950	
	Solano	390,100	3,951		3,358	
	Sonoma	443,700	4,392		3,733	
Subtotal		**7,037,500**	**58,662**	**834**	**49,863**	**709**

[a] Source: Center for the Health Professions, University of California, San Francisco.

[b] Source: State of California, Department of Finance, City/County Population Estimates, with Annual Percent Change, January 1, 1998 and 1999.

[c] Source: State of California, Department of Consumer Affairs, Board of Registered Nursing (BRN), License Data, November 1998.

[d] RNs and Employed RNs per 100,000 population are calculated from region total populations.

[e] Calculations based on 15% of licensed RNs not employed in nursing role (1997 BRN survey, 15.8%; 1997 NIS survey, 13.8%).

Reprinted from the CSPCN California Nursing Work Force Initiative, *Planning for California's Nursing Work Force*, Phase II Final Report, June 1999.

Number of RNs, Number of Employed RNs and Population by California County, RNs per 100,000 Population and Employed RNs per 100,000 Population Living in 10 California Regions.

			RNs[c]		Employed RNs[c]	
Region[a]	Counties	Population[b]	Number	RNs/ 100,000[d]	Number	Employed RNs/ 100,000[d]
Central Valley/Sierra	Alpine	1,190	8		7	
	Amador	34,050	277		235	
	Calaveras	37,800	329		280	
	San Joaquin	554,400	3,210		2,729	
	Stanislaus	433,000	2,904		2,468	
	Tuolumne	53,100	470		400	
Subtotal		**1,113,540**	**7,198**	**646**	**6,119**	**549**
Central Coast	Monterey	391,300	2,328		1,979	
	San Benito	47,850	238		202	
	San Luis Obispo	241,600	2,418		2,055	
	Santa Barbara	409,000	2,642		2,246	
	Ventura	742,000	5,941		5,050	
Subtotal		**1,831,750**	**13,567**	**741**	**11,532**	**630**
South Valley, Sierra	Fresno	793,800	4,915		4,178	
	Kern	648,400	3,288		2,795	
	Kings	128,300	540		459	
	Madera	115,800	588		500	
	Mariposa	16,100	133		113	
	Merced	206,900	854		726	
	Tulare	363,300	1,779		1,512	
Subtotal		**2,272,600**	**12,097**	**532**	**10,282**	**452**
Inland Empire	Inyo	18,250	169		144	
	Mono	10,800	71		60	
	Riverside	1,473,300	9,332		7,932	
	San Bernardino	1,645,000	12,007		10,206	
Subtotal		**3,147,350**	**21,579**	**686**	**18,342**	**583**
LA County	LA	9,757,500	54,463		46,294	
Subtotal		**9,757,500**	**54,463**	**558**	**46,294**	**474**
Orange County	Orange	2,775,600	20,715		17,608	
Subtotal		**2,775,600**	**20,715**	**746**	**17,608**	**634**
San Diego/Imperial	Imperial	142,700	557		473	
	San Diego	2,853,300	20,941		17,800	
Subtotal		**2,996,000**	**21,498**	**718**	**18,273**	**610**
Total Living in CA		33,764,135	232,391	688	197,555	585
Out of State			27,577			
Out of Country			2,110			
Grand No. CA Licenses			**262,078**			

[a] Source: Center for the Health Professions, University of California, San Francisco.

[b] Source: State of California, Department of Finance, City/County Population Estimates, with Annual Percent Change, January 1, 1998 and 1999.

[c] Source: State of California, Department of Consumer Affairs, Board of Registered Nursing (BRN), License Data, November 1998.

[d] RNs and Employed RNs per 100,000 population are calculated from region total populations.

[e] Calculations based on 15% of licensed RNs not employed in nursing role (1997 BRN survey, 15.8%; 1997 NIS survey, 13.8%).

- Advanced the addition of nursing quality indicators/definitions in legislative and regulatory quality measurement initiatives.

During Phase II, CalNOC:

- Collected and analyzed data (second cycle of data collection began June 1, 1998);
- Refined definitions, data capture process, data aggregation and reporting;
- Secured additional funding in the form of grants;
- Engaged in statewide, regional and national collaboration and strategic partnering;
- Created continuing education programs that build the capacity of the profession to use nursing quality outcome data to improve the quality, outcomes and cost of health care in California;
- Provided professional publications and presentations which shared CalNOC's processes and goals;
- Initiated the CalNOC research agenda; and
- Developed a strategic plan for Phase III.

Forty-three hospitals participated in the Beta Phase. Regional informational meetings were held in spring 1999 and several additional hospitals are in the process of signing up to participate in CalNOC. Estimates show 80 to 90 hospitals will join the coalition by the end of 2000.

In 1998, CalNOC agreed to participate in developing the National Database of Nursing Quality Indicators (NDNQI), which is part of ANA's national quality report card planning and demonstration project. Joining with five other ANA-sponsored statewide nursing quality indicator projects, CalNOC submitted data from 21 of its 43 sites to NDNQI which will be compared and benchmarked with the other states to develop an even broader outcomes report. The CalNOC dataset comprises more than 50 percent of the NDNQI data.

The definitions and indicators used by NDNQI were developed using input and insight from ANA's largest nursing quality project, CalNOC, which has emerged as the premier, national program for nursing outcomes.

In January 2000, the CalNOC Millennium Invitational Conference was held in Los Angeles. The two-day program analyzed methods and findings, examined implications of findings and identified evidence-based clinical innovations related to CalNOC measures with the potential to improve patient-care quality, costs and outcomes.

The first release of aggregate CalNOC data occurred in September 1999. The document, *California Nursing Outcomes Coalition — Report of Key Findings,* includes data on staff mix, patient falls and pressure ulcer prevalence. Additional reports to the public of aggregated data will be released at regular intervals enabling CalNOC to solidify its move toward hospital-specific public reporting.

In addition to dissemination among the nursing profession, hospital-specific data will be shared with consumers and policymakers as plans to provide a framework to institutionalize the California nursing quality repository are realized. Development of the framework will be consistent with the goals of the project. The intent is to ensure the integrity of the data is validated and reliable prior to public reporting of hospital-specific data in 2003.

What's Happening at the Regional Level?

Hospital Council Activities

Kern County Hospitals/Bakersfield College Nurse Partnership

In January 1999, the Hospital Council of Northern and Central California convened a partnership in Kern County, including hospital nurse executives and administration from the nursing programs at Bakersfield College and California State University (CSU) Bakersfield, with the goal of increasing the number of nurses graduating from local colleges. Participating hospitals include Bakersfield Memorial Hospital, Delano Regional Medical Center, Kern Medical Center, Mercy Hospital and San Joaquin Community Hospital.

The partnership is currently working on two major initiatives. First, the hospitals are fully funding the cost of an additional nursing class at Bakersfield College. The contribution, totaling $134,000 over two years, will result in an additional 30 nursing students graduating in fall 2001. Bakersfield College's contribution includes faculty supervision, equipment, supplies and other resources.

The second initiative includes the development of a coordinated health careers program for local elementary and secondary schools. The hospitals are currently working with the Health Careers Resource Consortium and the Kern County Society of Registered Nurses to jointly support a health careers program focusing on nursing and targeting elementary and junior high school students.

Sacramento-Sierra Hospital Section

The Sacramento-Sierra Section of the Hospital Council recently held a meeting at the CSU Sacramento School of Nursing to discuss the local nursing shortage. Since that meeting, area hospitals have assigned staff to a collaborative board established by the nursing school. It is anticipated that the formation of this collaboration will lead to a closer working relationship between hospitals and CSUS, leading to an increased number of nursing graduates who stay in the area to work for local hospitals.

Healthcare Workforce Initiative in Santa Clara County

Under the direction of the Hospital Council, the hospital leadership in Santa Clara County is embarking on a Healthcare Workforce Initiative to implement a localized, strategic plan to address the hospitals' top workforce priorities. Specialty nurses, lab and radiology techs, and pharmacists are the key positions addressed by this project. The consultant hired for this project will serve as a liaison with colleges and universities to coordinate training and outreach programs; organize collaborative efforts and strategies to meet manpower needs; and seek grants and linkages to foundations to sustain the efforts.

Nursing Education Enhancement Partnership

Initiated in 1998, the Nursing Education Enhancement Partnership includes the nursing program at CSU Fresno and area hospitals, including Community Medical Centers, Kaiser Foundation Hospital, Kaweah Delta Health Care District, Madera Community Hospital, Saint Agnes Medical Center and Valley Children's Hospital. The Hospital Council provides liaison support to the partnership, which serves as an excellent model of local efforts addressing the nurse shortage.

Through the generous contributions of hospitals (each hospital contributed as much as $42,000), the partnership has resulted in:

- Restoration of twice-a-year admissions into CSU Fresno's bachelor of science in nursing (BSN) program, increasing annual admissions from 53 students to 106 students;
- Implementation of a revised BSN curriculum, with input from the health care community, that better prepares the nurse graduate for today's challenges; and
- Enhancement of the education processes.

Nursing Paradigm 2000/2001

Nursing Paradigm 2000/2001 seeks to increase the number of nurses in the Fresno area by providing additional educational opportunities for licensed vocational nurses who wish to become RNs. Partners include Fresno City College, Community Medical Centers, Madera Community Hospital, Saint Agnes Medical Center and Valley Children's Hospital.

Through the program, students attend a condensed program (18 months instead of 24 months) with additional resources, including staff and funding, provided by both Fresno City College and the hospitals. The program, supported by the Hospital Council, will result in an additional 20 to 24 nurses graduating in May 2001.

HASC Activities

CSULA Education Project

The Healthcare Association of Southern California (HASC) is collaborating with California State University at Los Angeles to provide 180 hours of critical-care nursing education at five member hospitals — Beverly Hospital, Henry Mayo Newhall, Sherman Oaks Medical Center, Huntington East Valley and St. Johns Hospital. These facilities will provide mentors for the students and serve as clinical sites for the students' 200 hours of clinical work.

USC BSN Program

HASC is drafting a grassroots advocacy campaign with member hospitals to encourage the University of Southern California (USC) to maintain and improve its bachelor of science degree in nursing (BSN) program. The campaign includes ways the health care industry can support the USC BSN program and help it remain open and viable to nursing students.

Nursing Summit

The Nursing Summit in November 2000 will bring together the heads of nursing programs and chief nursing officers to discuss specific issues of importance in their respective regions. The group will break out by regions and each will develop specific projects with timelines and outcomes.

Orange County Collaborative Project

Orange County hospitals, schools of nursing and legislative representatives have formed a task force to develop a plan to address the nurse shortage in Orange County. After the plan is developed, a larger work group will meet to create financial support for the project.

Ventura and Santa Barbara County Project

CEOs of Ventura and Santa Barbara county hospitals are working with community college officials to determine what hospitals can do to help the schools graduate more nurses. The main goal is to reduce the attrition rate, which will ultimately increase the number of graduates. Areas of greatest need were identified as skill labs, student remediation in basic skills and additional faculty support. The hospitals raised more than $100,000 to support the community colleges in these areas and create specific goals with which to measure success.

NSNA Video Project

The National Student Nurses Association produced a video that can be shown at the junior and senior high school levels to attract students into the nursing profession. After previewing the video, the Nursing Leadership Council (NLC), which is a sponsor of the film, spent an additional $5,500 to purchase the license to the video. This license entitles NLC to produce *Nursing in Southern California*, a trailer to the video. Hospitals that pre-buy copies of the video, to give to local junior and senior high school students, will be given screen credits. The money raised from the sale of the video will be used to produce the Southern California trailer. NLC's goal is to have 100 Southern California hospitals participate and to put a copy of the video in all the junior and senior high schools in Southern California.

Vice President of Nursing

The HASC Board has approved a two-year vice president of nursing position. The new vice president will work to increase the number of nursing school graduates and produce more nurses for hospitals.

HASD&IC Activities

Nursing Shortage Task Force

The Healthcare Association of San Diego and Imperial Counties (HASD&IC) Board formed a Nursing Shortage Task Force representing clinical and academic nurses to develop a plan to address both short- and long-term issues. A *Staff Retention Study* was conducted as a pilot and is being extended to a multi-site study.

SDSU/Hospital Partnership

Six local hospital systems have agreed to fund a new program with San Diego State University (SDSU) to increase its nursing faculty by six instructors and enroll an extra 120 students over the next three semesters. This local solution, called *Nurses Now*, will cost $1.3 million over three years. The hospitals involved in the partnership are not guaranteed to receive the new graduates, but historically seven out of 10 SDSU nursing graduates have stayed in San Diego.

Conclusion

Sooner or later, most people will need hospital care. And when that time arrives, they will expect and deserve professional care from their physicians, nurses and every other member of the hospital staff. As health care providers strive to provide the best possible care in their facilities, they face numerous obstacles, from decreased government funding to strict regulatory mandates to a critical need for qualified health care professionals.

The nurse shortage in California is critical. CHA, the Regional Associations and ACNL are working to educate the public and policy-makers. Government officials must make nursing education a priority and provide funding for this key health care profession.

For more information on nursing issues in California, contact Dorel Harms, CHA vice president of professional services, at (916) 552-7574 or dharms@calhealth.org. Harms is CHA's nurse liaison, representing CHA on CSPCN, CalNOC and other nurse-related task forces and committees, as well as with DHS and other government agencies.